

Employee Retention Strategies: A Study of Select Manufacturing sectors in Mysore District

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Abstract

The study focuses on the Employee Retention Strategies adopted by select Manufacturing Sectors of Mysore region. A total of 300 respondents different Manufacturing Sector (50 Managers & 250 Non-managers) were selected through random sampling technique. A structured questionnaire was developed by the author to measure Employee Retention Strategies adopted by the manufacturing Sectors. Garrett Ranking technique was used to rank the retention strategies which were adopted in retaining employees. The results revealed that all the retention strategies were equally important in retaining employees.

KEYWORDS: employee retention strategies, manufacturing sectors and Garrett ranking technique.

INTRODUCTION:

Employee retention is a process in which the employees are encouraged to remain with the organization for the maximum period or until the completion of the project. Employee retention is keeping the employees who have already been hired. Employee retention is beneficial for the organization as well as for the employee. Employees today are different; they have plenty of good opportunities that are available for them to leave the organizations. As soon as they feel dissatisfied with the current job, they switch over to the new job. It is the responsibility of the employer to retain their employees. If they don't they would be left with no good employees. A good employer should know how to attract and retain the employees.

REVIEW OF LITERATURE

Umamaheshwari., et. al., (2015) "Retention Factors and Their Relative Significance in Ceramic Manufacturing Industries in India" assessed certain factors could influence the employee retention or not. And the results revealed that balance of work life, supervisory support and organization commitment was correlated to employee retention. Research analysis indicated that employee's continuation in the organization is relate the relationship that exists between the supervisor and subordinate. This supervisor subordinate relationship had an highest significant on employee retention. Thus, showing evidence that all three factors have significant relationship with employee retention in ceramic manufacturing industries in India.

Bidyut.B.N., et., al., (2015) "Factors Affecting Employee's Retention in Automobile Service Workshops of Assam: An Empirical Study" was to study the relationships between Job security, job satisfaction, work life balance, compensation and employee

retention in the Automobile service workshops. The paper conclude that the factors do affect the employee retention. It has been found that among sixteen factors, Job security is the most important factor for retaining employees. Also, organisations should do fair and unbiased performance appraisal to keep their employee a long-time period with them. It is found in many workshops that promotions are given only on seniority basis not both performance and seniority basis. So, it demotivates some young performers who are competent than the senior level employees and deserve promotions. Automatically their retention intention goes down. Since Autonomy is found as the third most important factor for employee retention so it should be given to large extent to managerial level employees for their retention in the organisation. It is found in the study that technician level of employees need healthy supervisor support than autonomy for their retention. A healthy supervisor employee relationship is also very important for retaining the executive level of employees. Salary again proved as one of the very important factor for retention of employees working automobile service workshops of Assam.

The present study involved 10 ten retention strategies and they are as follows:

1. Compensation
2. Performance appraisal system
3. Career development
4. Employee engagement
5. Job satisfaction
6. Employer-employee relationship
7. Training and Development Motivation
8. Morale
9. Motivation
10. Team building

OJECTIVE:

To identify the various retention strategies adopted by manufacturing sectors.

RESEARCH METHODOLOGY

Research Design: The research design adopted was both descriptive and exploratory design

Data Collection: The data was collected through primary and secondary basis.

- *Primary data:* The primary data was collected through a structured questionnaire.
- *Secondary data:* The secondary data was collected through books, magazines, newspaper and articles
- *Sampling Technique:* The sampling technique employed is stratified Random sampling

Sample size:300

	Manufacturing sectors
No. of units	10
Employers	50
Employees	250
Total	310

INSTRUMENT

1. An interview schedule was prepared to gather the general information about employees of manufacturing and IT sectors.
2. A structured questionnaire was developed by the first author for Managers and Non-managers separately.

HENRY GARRET RANKING TECHNIQUE:

This techniques was used to evaluate the problems faced by the researchers. The orders of merit given by the respondents were converted in to rank by suing the formula. To find out the most significant factor which influences the respondent, Garrett’s ranking technique was used. As per this method, respondents have been asked to assign the rank for all factors and the outcomes of such ranking have been converted into score value with the help of the following formula:

$$\text{Percent position} = 100 (R_{ij} - 0.5) N_j$$

Where

R_{ij} = Rank given for the i th variable by j th respondents

N_j = Number of variable ranked by j th respondents

With the help of Garrett’s Table, the percent position estimated is converted into scores. Then for each factor, the scores of each individual are added and then total value of scores and mean values of score is calculated. The factors having highest mean value is considered to be the most important factor.

Table 1 shows the scores/ranks given by respondents for each retention strategy

Sl.NO	Employee Retention Strategies	Ranks Given by the Respondents				
		SA(5)	A(4)	N(3)	D(2)	SD(1)
1	Compensation	108	90	64	32	6
2	Performance appraisal system	111	107	53	22	7
3	Career development	114	118	52	10	6
4	Employee engagement	96	122	63	14	5
5	Training and Development	106	102	72	17	3

6	Employer-employee relationship	127	91	67	9	6
7	Motivation	134	91	63	4	8
8	Job satisfaction	140	75	75	5	5
9	Morale	121	112	56	5	6
10	Team Building	126	105	50	14	5

Table 1 shows the preference and ranking of employee retention strategies by the respondents from select manufacturing sectors, which included both managers and non-managers (300) in Mysore district. Likert five point scale was applied. Where 5 indicates Strongly agree, 4 indicates agree, 3 indicates neutral, 2 indicates disagree and 1 indicates strongly disagree. 5 is considered as highest and 1 is considered as least rank.

Table 2 shows the application of Garrett formula

Sl.NO	EMPLOYEE RETENTION STRATEGIES		
	$100(R_{ij}-0.5)N_j$	Calculated Value	Garret Value
1	$100(5-0.5)10$	45	53
2	$100(4-0.5)10$	35	58
3	$100(3-0.5)10$	25	64
4	$100(2-0.5)10$	15	71
5	$100(1-0.5)10$	5	82

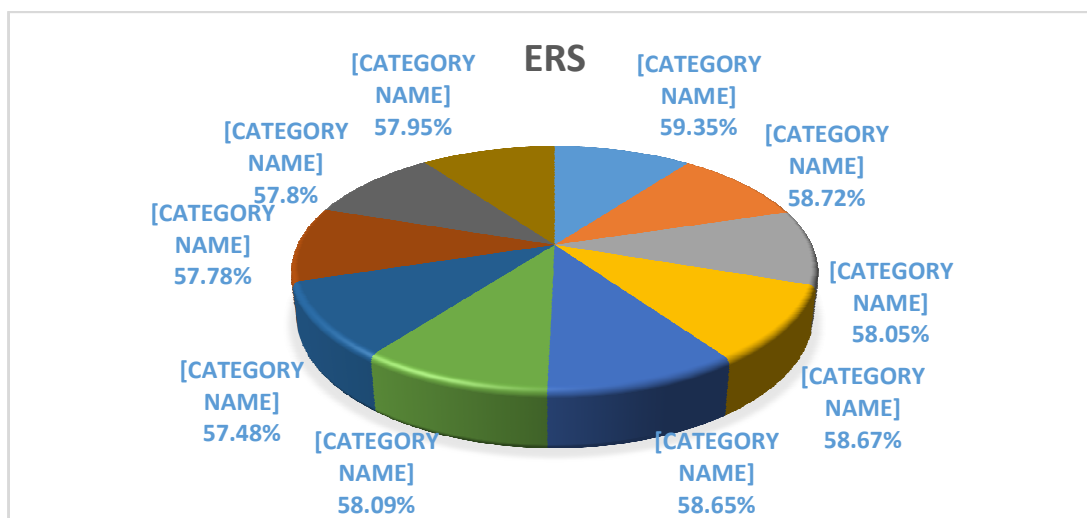
The total scores /ranks were calculated by using appropriate Garrett ranking formula. The Garrett scores of each retention strategy in the above table is multiplied by the Garrett value

Table 3 shows total value of all the respondents, percentage and ranks

SL.NO	Employee retention strategies	Ranks given by the respondents							
		SA(5)	A(4)	N(3)	D(2)	SD(1)	Total	%	Ranks
1	Compensation	5742	5220	4096	2272	492	17804	59.35	1
2	Performance appraisal system	5883	6206	3392	1562	574	17617	58.72	2
3	Career development	6402	6844	3328	710	492	17416	58.05	6
4	Employee engagement	5088	7076	4032	994	410	17600	58.67	3
5	Training and Development	5618	5916	4608	1207	246	17595	58.65	4
6	Employer-employee relationship	6731	5278	4288	639	492	17428	58.09	5
7	Motivation	7102	5278	4032	284	656	17352	57.48	8
8	Job satisfaction	7420	4350	4800	355	410	17335	57.78	9

9	Morale	6413	6496	3584	355	492	17340	57.8	10
10	Team Building	6678	6090	3200	994	410	17372	57.95	7

The above indicated the total values of each retention strategy which is derived from adding each row and then dividing by the total number of respondents to get the percentage. And finally based on the percentages the retention strategies were ranked.



DISCUSSIONS

- Compensation was ranked first with the percentage of 59.35%
- Performance appraisal system was ranked second with the percentage of 58.72%
- Employee engagement was ranked third having a percentage of 58.67%
- Training and development was ranked fourth having a percentage of 58.65%
- Employer and employee relationship was ranked fifth having a percentage of 58.09%
- Career development was ranked sixth having a percentage of 58.05%
- Team building was ranked seventh having a percentage of 57.95%
- Motivation was ranked eighth having a percentage of 57.8%
- Job satisfaction was ranked ninth having a percentage of 57.78%
- Morale was ranked tenth having a percentage of 57.8%.

CONCLUSION

According to the respondent's compensation is considered as first priority while retaining an employee and morale is considered as least important. But all strategies percentage is above 50% which indicates more efforts on part of the management to implement all retention strategies successfully. Nothing can bind an employee to the organization except money.

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